

MORITT HOCK & HAMROFF LLP

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Unsecured Creditors of Sears Holdings Corporation, et al.*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:	: Chapter 11
	: Case No. 18-23538 (RDD)
	: (Jointly Administered)
SEARS HOLDINGS CORPORATION, et al., Debtors. ¹	: ----- X

**FOURTH MONTHLY FEE STATEMENT OF MORITT HOCK &
HAMROFF LLP FOR PROFESSIONAL SERVICES RENDERED AND
DISBURSEMENTS INCURRED AS SPECIAL CONFLICTS COUNSEL
FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR
THE PERIOD OF JUNE 1, 2020 THROUGH JUNE 30, 2020**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Name of Applicant:	Moritt Hock & Hamroff LLP
Authorized to Provide Professional Services To:	The Official Committee of Unsecured Creditors of Sears Holdings Corporation
Date of Retention:	April 30, 2020 <i>nunc pro tunc</i> to January 2, 2020
Period for Which Compensation and Reimbursement Is Sought:	June 1, 2020 through June 30, 2020
Monthly Fees Incurred:	\$26,651.50
20% Holdback:	\$ 5,330.30
Total Compensation Less 20% Holdback:	\$21,321.20
Monthly Expenses Incurred:	\$ 325.00
Total Fees and Expenses Requested:	\$21,646.20

This is a X monthly interim final application

Moritt Hock & Hamroff LLP ("Moritt Hock"), special conflicts counsel for the Official Committee of Unsecured Creditors (the "Creditors' Committee") of Sears Holdings Corporation and its affiliated debtors and debtors in possession (collectively, the "Debtors"), hereby submits this statement of fees and disbursements (the "Fourth Monthly Fee Statement") covering the period June 1, 2020 through June 30, 2020 (the "Compensation Period"), in accordance with the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses and Retained Professionals* (the "Interim Compensation Order") [Docket No. 769]. By the Fourth Monthly Fee Statement, Moritt Hock requests (a) interim allowance and payment of compensation in the amount of \$21,321.20 (80% of \$26,651.50) for fees on account of reasonable and necessary professional services rendered to the Creditors' Committee by Moritt Hock and (b) reimbursement of actual and necessary costs and expenses in the amount of \$325.00 incurred by Moritt Hock during the Compensation Period.

**FEES FOR SERVICES RENDERED
DURING THE COMPENSATION PERIOD**

Exhibit A sets forth a timekeeper summary that includes the respective names, positions, department, bar admissions, hourly billing rates and aggregate hours spent by each Moritt Hock professional and paraprofessional that provided services to the Creditors' Committee during the Compensation Period. The rates charged by Moritt Hock for services rendered to the Creditors' Committee are the same rates that Moritt Hock charges generally for professional services rendered to its non-bankruptcy clients.

Exhibit B sets forth a task code summary that includes the aggregate hours per task code spent by Moritt Hock professionals and paraprofessionals in rendering services to the Creditors' Committee during the Compensation Period.

Exhibit C sets forth a complete itemization of tasks performed by Moritt Hock professionals and paraprofessionals that provided services to the Creditors' Committee during the Compensation Period.

**EXPENSES INCURRED
DURING THE COMPENSATION PERIOD**

Exhibit D sets forth a disbursement summary that includes the aggregate expenses, organized by general disbursement categories, incurred by Moritt Hock in connection with services rendered to the Creditor's Committee during the Compensation Period.

Exhibit E sets forth a complete itemization of disbursements incurred by Moritt Hock in connection with the services rendered to the Creditors' Committee during the Compensation Period.

NOTICE AND OBJECTION PROCEDURES

Notice of this Fourth Monthly Fee Statement shall be given by hand or overnight delivery or email where available upon (i) Sears Holdings Corporation, 3333 Beverly Road, Hoffman

Estates, Illinois 60179, Attention: Moshin Y. Meghji (email: mmeghji@miiipartners.com); (ii) counsel to Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153, Attention: Ray C. Schrock (email: ray.schrock@weil.com), Jacqueline Marcus (email: jacqueline.marcus@weil.com), Garrett A. Fail (email: garrett.fail@weil.com), and Sunny Singh (email: sunny.singh@weil.com); (iii) counsel to the Creditors' Committee, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attention: Ira S. Dizengoff (email: idizengoff@akingump.com), Philip C. Dublin (email: pdublin@akingump.com), and Sara L. Brauner (sbrauner@akingump.com); (iv) William K. Harrington, the United States Trustee, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, NY 1014, Attention: Paul Schwartzberg (email: paul.schwartzberg@usdoj.gov) and Richard Morrissey (email: richard.morrissey@usdoj.gov); (v) counsel to Bank of America, N.A., Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, NY 10036, Attention: Paul D. Leake (email: paul.leake@skadden.com), Shana A. Elberg (email: shana.elberg@skadden.com), and George R. Howard (email: george.howard@skadden.com); (vi) Paul E. Harner, fee examiner, 1675 Broadway, New York, NY 10019 (email: harnerp@ballardspahr.com); and (vii) counsel to the fee examiner, Ballard Spahr LLP, 1675 Broadway, New York, NY 10019, Attention: Vincent J. Marriott (email: marriott@ballardspahr.com) and Tobey M. Daluz (email: daluzt@ballardspahr.com) (collectively, the "Notice Parties").

Objections to this Fourth Monthly Statement Fee, if any, must be filed with the Court and served upon the Notice Parties so as to be received no later than August 3, 2020 (the "Objection Deadline"), setting forth the nature of the objection and the amount of fees or expenses at issue (an "Objection").

If no objections to this Fourth Monthly Fee Statement are filed and served as set forth above, the Debtors shall promptly pay eighty percent (80%) of the fees and one hundred percent (100%) of the expenses identified herein.

If an objection to this Fourth Monthly Fee Statement is received on or before the Objection Deadline, the Debtors shall withhold payment of that portion of the Fourth Monthly Fee Statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth above. To the extent such an objection is not resolved, it shall be preserved and scheduled for consideration at the next interim fee application hearing to be held by the Court.

Dated: New York, New York
July 17, 2020

MORITT HOCK & HAMROFF LLP

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*Special Conflicts Counsel to the Official
Committee of Unsecured Creditors of Sears
Holdings Corporation, et al.*

EXHIBIT A

Timekeeper Summary

PARTNERS	DEPARTMENT	YEAR OF BAR ADMISSION	RATE	HOURS	AMOUNT
James P. Chou	Litigation	1997 (NY) 1996 (NJ)	\$595	7.00	\$ 4,165.00
Theresa A. Driscoll	Restructuring/ Bankruptcy	2000	\$560	8.80	\$ 4,928.00
Danielle J. Marlow	Litigation	1997	\$550	19.60	\$10,780.00
Total Partner				35.40	\$19,873.00
ASSOCIATES					
Alex D. Corey	Litigation	2014	\$395	0.60	\$ 237.00
Total Associates				0.60	\$ 237.00
PARALEGAL					
Victoria Jankowski	Litigation	N/A	\$245	5.80	\$ 1,421.00
Sheila Marino- Thomas	Litigation	N/A	\$245	20.90	\$ 5,120.50
Total Paralegal				26.70	\$ 6,541.50
Total Hours/ Fees Requested				62.70	\$26,651.50

ALL PROFESSIONALS	BLENDED RATE (\$)	TOTAL BILLED HOURS	TOTAL COMPENSATION
Partners and Counsel	595.00	35.40	\$19,873.00
Associates	395.00	0.60	\$ 237.00
Paralegals/ Non-Legal Staff	245.00	26.70	\$ 6,541.50
Blended Timekeeper Rate	412.22		
Total Fees Incurred			\$26,651.50

EXHIBIT B

Task Code Summary

Task Code	Matter	Hours	Value
B110	Case Administration	5.50	\$ 2,557.00
B120	Asset Analysis and Recovery	39.20	\$15,281.50
B160	Fee/ Employment Applications	17.70	\$ 8,739.50
B191	Litigation/Adversary Proceeding	0.30	\$ 73.50
	Total:	62.70	\$26,651.50

EXHIBIT C

Itemized Fees



MORITT HOCK & HAMROFF LLP

INVOICE DATED JULY 2020

File # N-1944.001 Re: Sears Bankruptcy

Date	Prof	Narrative	Task Code	Time
6/1/2020	DJM	E-mails/calls with counsel for Merrill Lynch (0.5); follow up with S. Thomas regarding service issues (0.3).	B120	0.8
6/1/2020	SMT	Updates to subpoena service tracking chart.	B120	0.8
6/1/2020	SMT	Emailed Executive Attorney Service regarding status of outstanding subpoenas and instructions for re-service.	B120	0.4
6/1/2020	JPC	Review and comment on draft second monthly fee statement, including time entries.	B160	1.0
6/1/2020	JPC	Review revised monthly fee statement and approve for filing.	B160	0.2
6/1/2020	TAD	Work on Second Monthly Fee Statement.	B160	1.4
6/1/2020	TAD	Correspond with V. Jankowski, M. Cimmino, J. Chou re: Second Monthly Fee Statement (.40); correspond with MIII Partners re: W-9 and follow re: same (.10).	B160	0.5
6/2/2020	VJ	Finalize and e-file Second Month Fee Statement; download and save filed copy and email to service parties.	B160	0.8
6/2/2020	SMT	Attention to resolution of process server issues.	B120	0.1
6/2/2020	TAD	Draft, revise and finalize Second Monthly Fee Statement.	B160	1.4
6/2/2020	TAD	Correspond with V. Jankowski re: filing and service of Second Monthly Fee Statement.	B160	0.2
6/3/2020	SMT	Reviewed produced records inputting select shareholder information into shareholders chart for further review and analysis. (0.3) Emailed D. Marlow attaching updated shareholders chart. (0.1)	B120	0.4
6/3/2020	DJM	Call with Goldman Sachs (0.4); e-mails with Goldman Sachs and Akin Gump to follow up (0.3); review of production from Wolverine (0.4); e-mails with S. Thomas regarding incorporation of Wolverine production into public shareholder data analysis (0.4).	B120	1.5
6/4/2020	DJM	E-mail to Akin Gump regarding status of various subpoena responses (0.3); review of spreadsheet, data analysis in connection with same (0.5), e-mails with counsel for Morgan Stanley (0.1 hours).	B120	0.9
6/4/2020	SMT	Reviewed and updates to subpoena service tracking chart.	B120	0.7
6/5/2020	DJM	Call with counsel to Morgan Stanley (0.3); e-mails with Akin Gump regarding productions by Alliance Bernstein (0.2); e-mails regarding production by Sumitomo (0.3), e-mails with Akin Gump regarding production by Invesco (0.4 hours), e-mails with Akin Gump regarding production by Citibank (0.4)	B120	1.6
6/5/2020	JPC	Review month of May time entries, descriptions and time allocations in preparation for report for monthly fee statement.	B160	0.6
6/6/2020	DJM	E-mails with M. Young regarding Comerica production.	B120	0.3
6/8/2020	SMT	Reviewed and updates to subpoena service tracking chart.	B120	0.5
6/11/2020	ADC	Communicate (in firm) - attended weekly teleconference	B110	0.3
6/11/2020	DJM	Attend weekly team meeting.	B110	0.3

6/11/2020	VJ	Status conference call with team.	B110	0.3
6/11/2020	TAD	Team status call.	B110	0.3
6/11/2020	TAD	Review status of objections on Second Monthly Fee Statement (.10); review correspondence from MIII Partners re: payment of First Monthly Fee Statement (.20).	B160	0.3
6/11/2020	JPC	Prepare for and attend weekly team meeting.	B160	0.3
6/12/2020	SMT	Process Barclay's production documents.	B120	0.4
6/12/2020	DJM	Review of production from Barclays (0.5); e-mails with IT, S. Thomas, counsel regarding Barclays production (0.4); e-mails with Akin Gump regarding status, next steps (0.3)	B120	1.2
6/15/2020	DJM	Call with counsel for Barclays regarding production (0.4); review of Barclays production and follow up e-mail (0.2), call with S. Thomas regarding analysis and inputting of Barclays production. (0.3)	B120	0.9
6/15/2020	SMT	Reviewed produced records for inputting select shareholder information into shareholders chart for further review and analysis.	B120	0.4
6/15/2020	SMT	Telephone call (0.1) and review regarding new document production for analysis and input with D. Marlow. (0.2)	B191	0.3
6/15/2020	JPC	Attention to additional third parties to subpoena and conflicts.	B110	0.5
6/16/2020	DJM	E-mails with Akin Gump regarding analysis of data received from subpoenaed parties.	B120	0.3
6/16/2020	SMT	Reviewed produced records for inputting select shareholder information into shareholders chart for further review and analysis.	B120	1.1
6/16/2020	TAD	Review M-III Partners inquiries re: accruals and forecasts and follow in estate fees (.30); follow with billing re: accruals (.10); review reports re: same (.50); review and compile estate fee numbers from filed April statement (.40).	B160	1.3
6/16/2020	TAD	Emails with James Chou re: M-III Partners email re: accruals and forecasts and proposed responses thereto.	B160	0.6
6/16/2020	JPC	Review email correspondence re: discrepancies between DTC data and data supplied by third parties.	B120	0.1
6/16/2020	JPC	Review email correspondence from T. Driscoll re: M-III Partners' request for budgeting and forecasting information.	B110	0.2
6/16/2020	JPC	Attention to May 2020 fees to supply to Akin for budgeting purposes.	B110	0.2
6/17/2020	DJM	Review and analysis of Barclays data as input by S. Thomas, e-mail to Thomas regarding same.	B120	0.3
6/17/2020	SMT	Reviewed produced records inputting select shareholder information into shareholders chart for further review and analysis.	B120	1.8
6/17/2020	JPC	Review and make edits to latest May 2020 billing statement for monthly fee statement.	B160	1.5
6/18/2020	ADC	Attend meeting with Sears team.	B110	0.3
6/18/2020	DJM	Weekly team meeting.	B110	0.3
6/18/2020	DJM	Review and analysis of public shareholder data (0.9); follow up with various subpoena respondents regarding data inconsistencies (0.8); analysis of Comerica data, e-mails with S. Thomas regarding same (0.7); follow up with multiple banks regarding subpoena productions (0.5), e-mails with S. Thomas regarding service of additional subpoenas (0.3).	B120	3.2
6/18/2020	VJ	Draft Third Fee Statement for May 2020 and forward to TAD for review.	B160	2.3
6/18/2020	VJ	Weekly team conference.	B110	0.3

6/18/2020	JPC	Review revised draft of billing statement from accounting (.3); email with accounting department re: additional revisions (.2).	B160	0.6
6/18/2020	JPC	Prepare agenda for weekly meeting (.2); facilitate weekly meeting (.3).	B110	0.5
6/18/2020	JPC	Emails a re: conflicts clearance for additional parties and potential defendants (.2); t/c w/ conflicts check staff re: same. (.1).	B110	0.3
6/18/2020	TAD	Attend Sears team status call.	B110	0.3
6/19/2020	SMT	Draft additional subpoenas to various entities (3.8). Draft emails to Executive Attorney Service attaching additional subpoenas for service (0.4)	B120	4.2
6/19/2020	DJM	Additional review of DTC data (0.3); e-mails with S. Thomas regarding additional subpoenas (0.3).	B120	0.6
6/19/2020	VJ	Emails with TAD regarding second fee application payment.	B110	0.2
6/19/2020	TAD	Correspond with James Chou re: M-III request, call with Akin (.10); emails with Zach Lanier re: same (.10); correspond with M-III Partners re: Second Monthly Fee Statement and payment (.20); email and call with V. Jankowski re: same (.10).	B160	0.5
6/19/2020	JPC	Attention to conflicts for new subpoenaed parties (.1); confer w/ D. Marlowe re: same (.1).	B160	0.2
6/22/2020	DJM	Draft/review budget for future adversary proceeding related work.	B110	0.5
6/22/2020	DJM	Analysis of productions regarding public shareholder data as compared to other sources (1.2); e-mails to subpoenaed parties to follow up on outstanding issues with productions (0.8); e-mails with S. Thomas regarding shareholder data (0.3); research regarding locations and contact information for additional subpoena targets (1.2).	B120	3.5
6/22/2020	SMT	Updates to subpoena service tracking chart (0.3); analysis of documents production containing shareholder information from Comerica for updates to chart (.8). Emails and telephone call to Executive Attorney Service regarding service of subpoenas and attaching same. (0.7) Emailed D. Marlow regarding service of subpoenas and email attaching updated shareholders chart for review and input. (0.6) Draft and revised additional subpoenas to various entities. (0.9)	B120	3.3
6/22/2020	TAD	Call with James Chou and Zach Lanier re: professional fees, budget and M-III Partners request.	B160	0.3
6/22/2020	JPC	Conf. call w/ T. Driscoll and Z. Lanier (Akin).	B160	0.2
6/22/2020	JPC	Follow up re: conflicts check on additional parties.	B160	0.3
6/23/2020	DJM	E-mails with counsel for Barclays regarding follow up questions, supplemental production.	B120	0.4
6/23/2020	TAD	Review draft of Third Monthly Fee Statement (0.4) and initial edits e: same.	B160	0.7
6/23/2020	SMT	Analysis of documents production containing shareholder information from various.	B120	1.2
6/25/2020	DJM	Review and analysis of lists of additional subpoena targets from Akin Gump, e-mails with S. Thomas regarding same, issuing of subpoenas (0.7); e-mails with multiple subpoena targets yet to produce regarding status (0.6), e-mails with counsel for Barclays regarding follow up issues (0.2).	B120	1.5
6/25/2020	VJ	Telephone conversation with TAD to discuss Third Fee Application.	B110	0.3
6/25/2020	VJ	Revise Exhibit C and finalize Third Fee Statement; email to JPC and TAD for approval to file.	B160	0.5
6/25/2020	SMT	Emails and telephone call to Executive Attorney Service regarding additional service of subpoenas and attaching same. (0.5) Draft and revised additional subpoenas to various entities for service. (1.7) Emailed D. Marlow regarding service of subpoenas and attaching updated shareholders chart for review and input. (0.2)	B120	2.4
6/25/2020	TAD	Revise Third Monthly Fee Statement (.70); correspond with V. Jankowski re: filing and service of same (.30).	B160	1.0

6/26/2020	DJM	Multiple e-mails with S. Thomas regarding service of additional subpoenas (0.6); follow up with various banks regarding status of production (0.2).	B120	0.8
6/26/2020	SMT	Emails to Executive Attorney Service regarding additional service of subpoenas and attaching same. (0.6) Draft and revised additional subpoena for service (.4); updates to subpoena service tracking chart (0.4).	B120	1.4
6/26/2020	JPC	Review draft monthly fee statement.	B160	0.3
6/26/2020	VJ	Finalize Third Fee Statement and e-file; forward copy of Third Fee Statement to service parties and TAD, JPC and TAB.	B160	0.7
6/29/2020	DJM	E-mails and call with counsel from TD Waterhouse regarding subpoena response (0.4), e-mails with S. Thomas regarding service issues (0.2); e-mails with counsel for Goldman Sachs (0.1).	B120	0.7
6/29/2020	SMT	Email to Executive Attorney Service attaching subpoena for service.	B120	0.3
6/29/2020	SMT	Draft and revised additional subpoena for service (.6); updates to subpoena service tracking chart (0.4) Emailed D. Marlow regarding service of subpoena. (0.2)	B120	1.2
6/30/2020	VJ	Download and convert sample fee application in order to prepare Fee Application.	B110	0.4
			Total:	62.70

EXHIBIT D

Disbursement Summary

Disbursement Activity	Amount
Outside Vendor – Process Server	\$325.00
Total:	\$325.00

EXHIBIT E

Itemized Disbursements

DATE	DESCRIPTION	VALUE
06/05/20	Executive Attorney Service Inc., Inv # 55586, Service of Subpoena to Produce Documents etc upon Deutsche Bank Securities Inc. at Albany, NY on 6/3/2020 (attempted), and via Secretary of State 6/3/20	\$175.00
06/10/20	Executive Attorney Service Inc., Inv # 55624, Service of Subpoena to Produce Documents etc upon Wells Fargo Securities LLC at Charlotte, NC on 6/8/2020	\$150.00
	Total	\$325.00